

**Assembly Bill No. 117**

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Passed the Assembly August 17, 2009

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*Chief Clerk of the Assembly*

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Passed the Senate July 9, 2009

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*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2009, at \_\_\_\_\_ o'clock \_\_\_\_M.

\_\_\_\_\_  
*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to amend Section 5028 of, and to add Section 5058.2 to, the Business and Professions Code, relating to accountants.

## LEGISLATIVE COUNSEL'S DIGEST

AB 117, Niello. Accountants.

Existing law provides for the licensure and regulation of accountants by the California Board of Accountancy in the Department of Consumer Affairs. Existing law prohibits a person or firm from using any title or designation in connection with the designation “certified public accountant” or “public accountant” that is false or misleading. A violation of specified provisions related to the practice of accountancy is a crime.

This bill would require the holder of an inactive accountancy license, when using specified CPA titles, designations, or references on correspondence, Internet Web sites, business cards, nameplates, or name plaques, to also specify that he or she is inactive. Because a violation of this requirement would be a crime, the bill would impose a state-mandated local program. The bill would also make a technical, nonsubstantive change to a related provision.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

*The people of the State of California do enact as follows:*

SECTION 1. Section 5028 of the Business and Professions Code is amended to read:

5028. The board may, in accordance with the intent of this article, make exceptions from continuing education requirements for licensees not engaged in public practice, or for reasons of health, military service, or other good cause; provided, however, that if the licensee returns to the practice of public accounting he

or she shall meet such continuing education requirements as the board may determine.

SEC. 2. Section 5058.2 is added to the Business and Professions Code, to read:

5058.2. The holder of an inactive license issued by the board pursuant to Section 462, when lawfully using the title “certified public accountant,” the CPA designation, or any other reference that would suggest that the person is licensed by the board on materials such as correspondence, Internet Web sites, business cards, nameplates, or name plaques, shall place the term “inactive” immediately after that designation.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

Approved \_\_\_\_\_, 2009

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*Governor*